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Republicans join together to fight for Michigan jobs

Proposal helps State Continue to be Competitive

October 28, 2003 – Senate Majority Floor Leader Bev Hammerstrom (R-Temperance) joined Senate Majority Leader Ken Sikkema (R-Wyoming) in Lansing yesterday at a press conference where they announced an unprecedented proposal to provide much-needed job opportunities for Michigan residents.

The proposal, “Fighting for Every Michigan Job,” will help create manufacturing jobs, spur new small-business investment for more job opportunities and provide incentives to expand the state’s slow-moving economy by getting Michigan residents back to work.

“Keeping jobs in Michigan is one of the most important efforts we’re concentrating on right now,” Hammerstrom said. “It’s especially important in those communities where competitive jobs exist just across the state border.” Hammerstrom represents all of Monroe County, which includes several townships located along the Michigan-Ohio border, and portions of Washtenaw and Jackson counties.

“My leadership role gives me the opportunity to ensure that this package moves forward and our commitment to Michigan’s workers remains strong,” Hammerstrom said. “This proposal is a positive step forward in the fight to save the manufacturing and small business sector of Michigan.”

- Create Tool & Die Recovery Zones to provide tax relief similar to Renaissance Zones.
- Provide tax incentives for small start-up businesses by exempting them from most taxes for the first two years of operation then phasing in tax liabilities for the following four years.

- Reauthorize, strengthen and provide more accountability for the Michigan Economic Growth Authority, which expires on Dec. 31. MEGA is the state's main tax-incentive granting authority used to spur economic development.
- Create a venture capital investment incentive by offering income and Single Business Tax breaks to those who might lose money investing in Michigan start-up businesses.
- Establish a Clean Michigan Initiative revolving loan program to clean up abandoned brownfield sites. This program would transfer the remaining CMI funding into a grant and loan program.
- Improve Michigan's infrastructure by expediting the 2002 voter approved Sewer Bond Initiative to allow communities to start construction projects sooner.
- Call on the Michigan Economic Development Corporation to provide a small-business "czar" and a manufacturing "czar" with the experience and vision to focus on small-business start-ups as well as retaining and creating manufacturing jobs.
- Implement a Forestry Initiative that would adopt forest management changes to protect the environment and create new job opportunities by strengthening Michigan's timber industry.

"These are necessary steps that we believe will help with Michigan's current budget situation. The state's revenue is down because the job market is sluggish," Hammerstrom said. "People can't spend and generate tax revenue when they are unemployed."

The Senate has teamed up with the House of Representatives to make this plan a success. This marks the first time both Republican majority caucuses have come together with a common goal.

Legislation inspired by the key goals of the plan is expected to be introduced this week.